## SENATE BILL 2172 By Kyle

AN ACT to amend Tennessee Code Annotated, Title 55 and Title 56, to enact "The Automobile Theft Prevention Act of 1996".

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as "The Automobile Theft Prevention Act of 1996".

SECTION 2. As used in this act, unless the context requires otherwise:

- (1) "Authority" means the automobile theft prevention authority;
- (2) "Board" means the board of directors of the Automobile Theft Prevention Authority; and
- (3) "Economic automobile theft" means automobile theft perpetrated for financial gain.

## SECTION 3.

- (a) There is hereby created a public body corporate and politic to be known as the Automobile Theft Prevention Authority. The purposes, powers, and duties of the authority shall be vested in and exercised by a board of directors.
- (b) The board of directors shall consist of seven (7) members, appointed by the governor, with the advice and consent of the general assembly as expressed by a joint resolution, two (2) of whom shall be representative of purchasers of automobile insurance in this state, two (2) of whom shall be representative of automobile insurers doing business in this state, two (2) of whom shall be law enforcement officials in this

state, and one (1) of whom shall be the commissioner of safety or his or her designee.

The governor shall designate one (1) member to serve as the chairperson of the authority.

- (c) Members of the board shall serve for a term of five (5) years. A vacancy shall be filled in the same manner as the initial appointment.
- (d) Members of the board shall serve without compensation for their membership on the board, except that members of the board shall receive reasonable reimbursement for necessary travel and expenses, in accordance with the comprehensive state travel regulations.
- (e) A majority of the members of the board shall constitute a quorum for the transaction of business at a meeting, or the exercise of a power or function of the authority, notwithstanding the existence of one (1) or more vacancies. The authority shall meet at the call of the chair or as may be provided in the bylaws of the authority. Meetings of the authority may be held anywhere within the state of Tennessee.
- (f) The authority shall be administratively attached to the department of safety and shall exercise its prescribed statutory powers, duties, and functions independently of the commissioner of that department. The budgeting, procurement, and related functions of the authority, and administrative responsibilities for employees of the authority, shall be performed under the direction and supervision of the commissioner of safety.

SECTION 4. The authority shall have the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter and the purposes of the authority and the powers delegated by other laws, including, but not limited to, the power to:

(a) Sue and be sued; to have a seal and alter the same at pleasure; to have perpetual succession; to make, execute, and deliver contracts, conveyances, and other

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instruments necessary or convenient to the exercise of its powers; and to make and amend bylaws;

- (b) Solicit and accept gifts, grants, loans, funds collected and placed in the automobile theft prevention fund, and other aids from any person or the federal, state, or a local government or any agency thereof;
  - (c) Make grants and investments;
- (d) Procure insurance against any loss in connection with its property, assets, or activities:
- (e) Invest any money held in reserve or sinking funds, or any money not required for immediate use or disbursement at its discretion, and to name and use depositories for its money;
- (f) Contract for goods and services and engage personnel as is necessary, including the services of private consultants, managers, counsel, auditors, and others for rendering professional, management, and technical assistance and advice, payable out of any money of the fund legally available for this purpose;
- (g) Indemnify and procure insurance indemnifying any member of the board from personal loss or accountability from liability resulting from a member's action or inaction as a member of the board; and
- (h) Do all other things necessary or convenient to achieve the objectives and purposes of the authority, this chapter, or other laws.
  SECTION 5.
- (a) Prior to July 1, 1997 and prior to July 1 of each year thereafter, each insurer engaged in writing insurance coverages insuring against bodily injury and property damage or uninsured motorist coverage within this state, as a condition of its authorization to transact insurance in this state, shall pay to the authority an assessment

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equal to one dollar (\$1.00) multiplied by the insurer's total number of vehicles insured for insurance written in this state during the immediately preceding calendar year.

- (b) Money received pursuant to subsection (a), and all other money received by the authority, shall be segregated and placed in a no quarter revolving fund to be known as the Automobile Theft Prevention Fund. The Automobile Theft Prevention Fund shall be administered by the authority. Any funds remaining in the fund shall not revert to the general fund at the end of the fiscal year.
- (c) Money in the automobile theft prevention fund shall be expended in the following order of priority:
  - (1) To pay the costs of administration of the authority;
  - (2) To achieve the purposes and objectives of this act, which may include, but not limited to, the following:
    - (A) Provide financial support to the department of safety and local law enforcement agencies for economic automobile theft enforcement teams;
    - (B) Provide financial support to state or local law enforcement agencies for programs designed to reduce the incidence of economic automobile theft;
    - (C) Provide financial support to local prosecutors for programs designed to reduce incidence of economic automobile theft;
    - (D) Provide financial support to judicial agencies for programs designed to reduce the incidence of economic automobile theft;
    - (E) Provide financial support for neighborhood or community organizations or business organizations for programs designed to reduce the incidence of automobile theft; and

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- (F) Conduct educational programs designed to inform automobile owners of methods of preventing automobile theft and to provide equipment, for experimental purposes, to enable automobile owners to prevent automobile theft.
- (d) Money in the Automobile Theft Prevention Fund shall only be used to enhance automobile theft efforts as determined by the authority.

  SECTION 6.
  - (a) The authority shall develop and implement a plan of operation.
- (b) The plan of operation shall include an assessment of the scope of the problem of automobile theft, including particular areas of the state where the problem is greatest; an analysis of various methods of combating the problem of automobile theft and economic automobile theft; a plan for providing financial support to combat automobile theft and economic automobile theft; and an estimate of the funds required to implement the plan.
- (c) The authority shall report annually on or before February I to the governor and the general assembly on its activities in the preceding year.

SECTION 7. On July 1, 2001, the authority shall be dissolved and the assets of the authority shall be liquidated. The proceeds of the liquidation shall be returned to insurers writing automobile insurance in this state in proportion to each insurer's assessment payment pursuant to Section 5 in the immediately preceding calendar year.

SECTION 8. This act shall take effect July 1, 1996, and shall be repealed effective July 1, 2001.

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